UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF TEXAS BEAUMONT DIVISION

UNITED STATES and STATE OF TEXAS *ex rel*. DANIEL W. ELLIOTT, M.D. and LISA A. MINSLOFF, M.D.,

No. 1:23-CV-00329

Plaintiffs,

DEMAND FOR JURY TRIAL

v.

SOUTHEAST TEXAS MEDICAL ASSOCIATES, LLP et al.,

Defendants.

RELATORS' REPLY IN SUPPORT OF MOTION TO EXTEND DEADLINE TO FILE AMENDED PLEADINGS WITHOUT LEAVE OF COURT

On December 14, 2023, Relators filed their Motion to Extend Deadline to File Amended Pleadings Without Leave of Court for a straightforward reason: there is an ongoing dispute among the parties as to the extent of discovery allowed under the Court's October 20, 2023 order (Dkt. 114). Relators interpret the order to allow for discovery "related to the pending dispositive motions," which Relators believe is aimed at streamlining the amendment and dispositive motion process. Defendants disagree.

Relators conferred with all 14 defendants on the extension request, and 11 of them did not oppose. Baptist, Steward, and OnPoint opposed the request. In their opposition, Baptist, Steward, and OnPoint criticize the brevity of Relators' motion, and they contend Relators cannot establish good cause for an extension because they could have amended earlier. These arguments miss the mark.

First, Relators' motion is brief because the dispute is discrete—a discovery dispute implicates whether Relators are entitled to discovery prior to determining whether to amend their complaint. The Court allowed for discovery, Relators issued discovery, and the relevant Defendants objected. Relators explain the dispute and the potential implication for the amendment deadline (without the Court's leave) in their motion and related Motion to Compel. (Dkt. 117). The request for an extension of that deadline while the Court resolves the parties' discovery dispute is reasonable and not aimed at obtaining an unfair advantage.

As to the second point, Baptist, Steward, and OnPoint posit that Relators have not been diligent in amending the complaint. That argument misses the point of the extension request entirely. Relators' complaint is appropriately detailed and particularized, as Relators explain in their responses to Defendants' motions to dismiss. It is conceivable that Relators might not need to amend at all. However, if the Court intended for the parties to exchange discovery related to the motions to dismiss in order to narrow the issues in dispute and to allow Relators the opportunity, if necessary, to amend without leave, Relators should have the benefit of that discovery prior to the amendment deadline. At core, Relators aim to minimize the number of amendments in this case (if any) to avoid unnecessary work by the parties and the Court.

Further, on January 3, 2024, Relators filed a Joint Notice of Pending Settlement (Dkt. 123) advising the Court that certain parties have reached a settlement in principle, subject to approval by the United States and the State of Texas. As a result of a finalized settlement, amendment of the complaint could be necessary. Relators respectfully request a sixty-day extension to the deadline for Relators to file amended pleading without the Court's leave.

Dated: January 4, 2024 Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of this document was filed on January 4, 2024, through the ECF system, and will thereby be sent electronically to the registered participants as identified on the Notice of Electronic Filing.

<u>/s/ Joshua M. Russ</u> Joshua M. Russ